

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4610

FAX 415/398-4616

VIA AIR COURIER

April 29, 1996

Mr. Vernon Williams
Recordations Unit
Surface Transportation Board
Department of Transportation
12th and Constitution Avenue, N.W.
Washington, DC 20423

19583 - A
MAY 1 5 1996 - 8 21 PM
RECORDED & INDEXED

Dear Mr. Williams:

On behalf of Helm Financial Corporation, enclosed are an original and a certified copy of the Partial Release of Mortgage of Locomotives and Security Agreement dated as of March 29, 1996 between the following parties:

Secured Party: Bankamerica Business Credit, Inc.
55 West Monroe Street, Suite 3600
Chicago, IL 60603


Debtor: MK Rail Corporation
c/o Doepken, Keevican & Weiss
USX Tower, 37th Floor
600 Grant Street
Pittsburgh, PA 15219-2703
Attn: Paul M. Henry

The equipment involved in this transaction is as follows:

Equipment: Nineteen (19) locomotives (See Schedule I attached for reporting mark & numbers.)

Please file this agreement as a supplementary document to Recordation No. 19583 filed August 31, 1995. A check for the filing fee of \$21.00 is enclosed.

Sincerely,


Chris Dilley
Administrative Assistant

/cpd
Enclosures (2)

CERTIFICATION OF TRUE COPY

On April 12, 1996, I, Matthew M. Ogburn, examined the original copy of the Partial Release of Mortgage of Locomotives and Security Agreement dated as of March 29, 1996 by and between MK Rail Corporation and BankAmerica Business Credit, Inc., and I hereby certify that I have compared the attached duplicate copy with the original and that it is a complete, true and correct copy of the original in all respects, including the dates, signatures and acknowledgments thereof.

Matthew M. Ogburn

Matthew M. Ogburn, General Counsel
Helm Financial Corporation

ACKNOWLEDGMENT

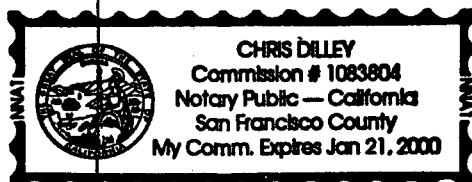
STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On April 12, 1996, before me, Chris Dilley, personally appeared Matthew M. Ogburn, General Counsel for **HELM FINANCIAL CORPORATION**,

X personally known to me -OR-

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Chris Dilley

SIGNATURE OF THE NOTARY

**PARTIAL RELEASE OF MORTGAGE OF MAY 16 1996 -3 25 PM
LOCOMOTIVES AND SECURITY AGREEMENT**

INTERSTATE COMMERCE COMMISSION

Reference is hereby made to that certain Mortgage of Locomotives and Security Agreement dated as of August 30, 1995 (the "Mortgage") by and between MK RAIL CORPORATION (the "Mortgagor") and BANKAMERICA BUSINESS CREDIT, INC., ("BABC") (individually and as agent for the Lenders described in the Mortgage, the "Mortgagee"), and recorded on the 31st day of August, 1995 in the Office of the Interstate Commerce Commission at Recordation No. 19583. All capitalized terms used herein but not defined here shall have the meanings ascribed thereto in the Mortgage.

KNOW ALL MEN BY THESE PRESENTS, that for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Mortgagee does hereby fully and finally release and discharge from the liens and other encumbrances of the Mortgage only those Units described on Schedule I attached hereto and made a part hereof. All other provisions of the Mortgage including the liens and encumbrances therein granted remain in full force and effect, except as amended hereby.

The Surface Transportation Board is hereby requested to note this Partial Release of Mortgage of Locomotives and Security Agreement (the "Partial Release") upon the margin of the Mortgage, as recorded.

This Partial Release may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

WITNESS the due execution hereof with the intent to be legally bound hereby this 29 day of MARCH, 1996.

WITNESS:

Susan Papp
Name: SUSAN PAPP

BANKAMERICA BUSINESS CREDIT, INC.,
individually and as Agent for the Lenders

By: Thomas F. Karlov
Name: THOMAS F. KARLOV
Title: Direct. Executive

105261-1

ACKNOWLEDGMENT

STATE OF ILLINOIS)

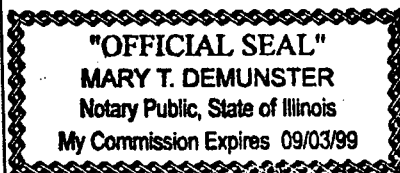
COUNTY OF COOK)

BEFORE ME, a Notary Public of the State and County aforesaid, personally appeared TOM KARLOV, who upon oath, acknowledged himself to be a SR. ACCT. EXEC of BANKAMERICA BUSINESS CREDIT, INC., a corporation, and that he as such SR. ACCT. EXEC being authorized to do so, executed the foregoing Partial Release of Mortgage of Locomotives and Security Agreement for the purposes therein contained by signing the name of the corporation by himself as a SR. ACCT. EXEC of BankAmerica Business Credit, Inc.

WITNESS my hand and official seal this 29 day of MARCH, 1996.

Mary J. Demunster
Notary Public

MY COMMISSION EXPIRES:



105261-

SCHEDULE 1

To Partial Release of Mortgage of Locomotives and Security Agreement

Description of Locomotives Released:

<u>Model</u>	<u>AAR Designation</u>	<u>Road Number</u>	<u>Serial Number</u>	<u>Identifying Mark</u>
SD40	D125	MKCX 9402	32097	MKCX
SD40	D125	MKCX 9408	32422	MKCX
SD40	D125	MKCX 9409	37651	MKCX
SD40M	D125	MKCX 9414	37144	MKCX
SD40	D125	MKCX 9416	36810	MKCX
SD40	D125	MKCX 9417	36816	MKCX
SD40	D125	MKCX 9419	34968	MKCX
SD45	D126	MKCX 9504	33868	MKCX
SD45	D126	MKCX 9506	33849	MKCX
SDP45	D226	MKCX 9510	36659	MKCX
SD45	D126	MKCX 9518	34167	MKCX
SD45	D126	MKCX 9521	37725	MKCX
SD45	D126	MKCX 9522	37726	MKCX
SD45	D126	MKCX 9524	37734	MKCX
SD45	D126	MKCX 9525	37735	MKCX
SD45	D126	MKCX 9527	38366	MKCX
SD45	D126	MKCX 9530	37124	MKCX
SD45	D126	MKCX 9535	32515	MKCX
SD40M-2		MKCX 9022	32411	MKCX

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